GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3891
ANSWERED ON:17.08.2001
IMPORT OF CARS
M.V.V.S MURTHI;SHIVAJI MANE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether some foreign car manufacturing companies have requested the Union Government to liberalise the rules for import of completely built units (CBUs) cars;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH)

(a) to (c) : Yes Sir. Some of the car companies have requested that import of cars under Export Promotion Capital Goods Scheme should be exempted from the various testing and other requirements prescribed for import of automobiles. Representations have further been received to exempt the condition of homologation on small volume import of cars. It has also been requested that the condition regarding permitting import from the country of manufacture should be relaxed in cases where the imports are being affected by the subsidiary of the manufacturer based in India.

After removal of quantitative restrictions, specific conditions like testing, homologation etc. have been imposed on import of automobiles to ensure consumer protection, road safety and adherence to specified emission norms. The companies which have made these requests are being advised suitably in the matter.